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SUBJECT: WEST BENGAL CHIEF MINISTER COMMENTS ON STATE SECURITY,
ECONOMIC POLICIES AND THE RISE OF BJP - CORRECTED COPY

REF: KOLKATA 00180

¶1. (SBU) Summary: On June 9, ConGen made his farewell call on West Bengal Chief Minister (CM) Buddhadeb Bhattacharjee. The CM was very engaged and candid during his discussion, commenting on his concerns about rising Islamic fundamentalism, his differing views on policies with his party's national leadership, and the likely ascendancy of the Bharatiya Janata Party (BJP) in coming state and national elections. Commenting on growing Islamic fundamentalism, Bhattacharjee emphasized the importance of good security around the U.S. Consulate's facilities. He added that fundamentalists are taking advantage of sensitive issues like land acquisition to gain support. The land-for-industry disputes have also proved to be a rallying point for Maoists. Bhattacharjee commented on the GOI's recent petroleum price hike and said that he had advised Communist Party of India - Marxist (CPM) General Secretary Prakash Karat against a strike or "bandh" protest but failed to convince the national party leader. End Summary.

Fundamentalist Threat

¶2. (U) During ConGen's farewell call on CM Bhattacharjee, the CM expressed appreciation for ConGen's efforts to expand U.S. commercial relations with the state, ConGen's work in forming a new American Chamber of Commerce (AmCham) Kolkata chapter and in establishing the new American School Kolkata (ASK).

¶3. (SBU) When ConGen expressed appreciation for the GOWB's support for the Consulate's security, the CM responded by emphasizing strongly what he characterized as a growing threat of Islamic radicals in the state. He added that he was a target of Islamic extremists and that the Consulate and ConGen were also targets. He encouraged that tight security measures should be maintained around the U.S. Consulate facilities. He advised ConGen to brief his successor on the seriousness of the security issue.

¶4. (SBU) Bhattacharjee said that Muslim fundamentalists are taking advantage of contentious issues like the GOWB's efforts to acquire land from farmers for industry to gain support among the Muslim community. According to Bhattacharjee, the fundamentalists are convincing Muslims that land documents are their only evidence of citizenship in India and if dispossessed, they will become vulnerable to exploitation. He noted that there are 507 government-run madrasas but more than 2,000 private madrasas, which serve mostly poor students and the curriculum is purely religious. As a result, this large

population of poor Muslim youth does not learn employable skills and their lack of employment opportunity makes them susceptible to fundamentalist influence. Bhattacharjee specifically directed his irritation at West Bengal Jamiat Ulema e Hind (JUH) General Secretary Siddiquallah Choudhury, who he alleged receives money from international organizations to run madrasas and is encouraging fundamentalism (REFTEL). Bhattacharjee noted that ConGen had met with Choudhury a year ago and commented that some within his party thought that there was a conspiracy by the USG to foster discord among Muslims but Bhattacharjee did not believe that was the case. He added that Choudhury also raised funds from his certification of food items as halal (being religiously permissible to consume). He said that Muslims should realize that only the CM's CPM can protect them from the BJP which may come to power after the next Parliamentary elections.

Maoists and the Land Controversy

¶15. (SBU) Shifting to the Maoist threat in the state, Bhattacharjee said that if West Bengal's 18 districts, only three were partially affected by Maoist violence. A total of nine police station areas in West Midnapore, Purulia and Bankura are dominated by the Maoists. However, the GOWB's acquisition of farmers' land for industry has proved to be a rallying point for the various radical elements. The CM added farmers are apprehensive about land, and they are mostly Muslims. They voted against the Left and the opposition's campaign in the May panchayat (local, village and district-level) elections proved successful. In North 24 Parganas district alone, the CPM lost 5% of its Muslim vote. Bhattacharjee conceded that his

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government did not take into account casual labor and share croppers and did not consider that aside from the landowners, others would be affected by the takeover of agricultural land. He said that the GOWB needed to draw up a comprehensive rehabilitation and compensation policy that would show that industrialization and land acquisition were beneficial to all concerned - landowners, share croppers, and other agricultural dependent laborers. The state government's focus for future development was now on manufacturing rather than IT and this necessitates acquisition of more land.

State Communists Versus National Leaders

¶16. (SBU) Bhattacharjee was candid that following the recent GOI petroleum price increase, he had advised CPM General Secretary Prakash Karat against calling a general strike or "bandh." The Chief Minister claimed he had suggested rather that the people be provided relief with a tax cut from the state government and that the party could organize protests, but a strike was not desirable for the state economy. However, he admitted his failure to convince Karat as well as his party's trade union leaders. He also said that he could not publicly criticize his party's bandh-culture and had to maintain silence when the media questioned him.

The National Picture

¶17. (SBU) Bhattacharjee referred to his meeting with Prime Minister Manmohan Singh in the last week of May. Singh reportedly explained "like an economist" why a fuel price hike was unavoidable, following which the CM raised his concerns about the consequences of such a hike vis-`-vis the BJP and the next Parliamentary elections. Bhattacharjee told ConGen that the Congress's policies are giving the BJP a clear advantage and expressed his apprehensions that the BJP will likely do very well in upcoming state and national elections. He blamed the Congress for this situation as the party was unwilling to accept

the Left's demands for populist policies, such as making the private oil companies - namely Reliance - pay more rather than the public to meet shortfalls in the public sector oil companies.

¶ 8. (SBU) Bhattacharjee also said that Singh requested the Left's reconsideration on the Indo-U.S. civil nuclear deal as the future of the agreement would become uncertain once new governments came to power in India and U.S. in the near future. Bhattacharjee avoided commenting more on the civil nuclear agreement, implying that it was more of an issue for his party's national leadership.

COMMENT

¶ 9. (SBU) The CM was very pleasant and open in his conversation with ConGen, reflecting the greater pragmatism and willingness of the senior Communist leadership in the state to engage with USG representatives. Bhattacharjee's strong views on Muslim extremists are a concern as they indicate a more serious threat assessment by the GOWB and the CPM than generally expressed in public. The CPM has relied to great extent on Muslim votes for its political dominance in West Bengal. The CM's expression of fear about the Muslim community's possible radicalization is a significant change in CPM perspective regarding the loyalty and political value of the Muslim community. Also evident from the conversation was that Bhattacharjee did not agree with the CPM national leadership on its continued use of bandhs and that Bhattacharjee was generally sympathetic with Prime Minister Singh's economic policies. The CM's belief that the BJP will likely come to power at the Center in the next general elections implied a broadly pessimistic view that the CPM will face a difficult political future at the national level. However in the discussion, the CM reflected no awareness of how his CPM party had facilitated the BJP's possible rise by undermining the Congress Party and its United Progressive Alliance (UPA) government.

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